

DEPARTMENT OF BENEFIT PAYMENTS

744 P Street, Sacramento 95814
(916) 445-0814



January 27, 1976

ALL-COUNTY LETTER NO. 76-17

TO: All County Welfare Directors

SUBJECT: AFDC Leaflet

REFERENCE:

Updated copies of "The AFDC Program in California" are now available.

This leaflet -- a brief rundown of how the program works in California, what it costs, and who is eligible and what benefits recipients receive -- is intended for general public use. We are developing a separate leaflet for recipients which should be available in the next few months.

This revision makes the November 1974 leaflet obsolete. Please use the updated leaflet to meet your general information needs.

A supply of "The AFDC Program in California" may be ordered at a charge of one cent per copy (100 minimum) from:

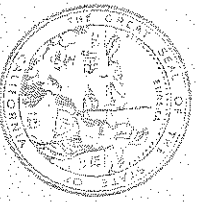
Publications
Department of Benefit Payments
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Public Information

cc: CWDA

Attachment

THE
AID TO
FAMILIES WITH
DEPENDENT
CHILDREN
PROGRAM



IN
CALIFORNIA

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Department of Benefit Payments
000
SEPTEMBER 1975

What is AFDC?

Aid to Families with Dependent Children is a public welfare payment program established by the Social Security Act of 1935 to help children who are in need because of the death, continued absence from home, incapacity, or unemployment of their parents.

Federal laws and regulations define broad program policy and the federal government shares program costs, but each state administers AFDC according to its own plan.

Who is Eligible?

Families with children who are unmarried, deprived of one parent's support, and receiving inadequate income or support under state established standards may be eligible for AFDC benefits.

If children 16 to 18 are not attending school or participating in a training program, they are required to register for work and accept employment. Benefits can be extended through age 20 for those in school or training programs.

The family's net income after certain deductions must be less than state established maximums. A family will not be eligible if it owns real property with an assessed value of more than \$5,000 less encumbrances and personal property worth more than \$1,600 with a maximum of \$600 in cash.

Foster parents, boarding homes, and institutions can also claim payment for eligible children in their care.

What Do They Receive?

Recipients usually receive payments twice a month. The amount of their grant depends on the

number of eligible persons in the same family unit and the family's prior month income. Payments to boarding homes and institutions are based on standards of financial need established by each county. Recipients are also eligible for social services such as money management, family planning, and health care, and for supplemental payments covering special needs determined by their county welfare department.

How Does The Program Work?

Counties administer AFDC on the local level, determining eligibility, computing payments, mailing checks, and insuring that able adult applicants register for work.

The State Employment Development Department monitors the job search of adult recipients, enrolling those who need additional training in one of two programs.

The Department of Benefit Payments reviews county administrative practices to insure compliance with federal law and regulations and to promote uniform application of guidelines.

The department handles liaison between counties and the federal government, and the Director of Benefit Payments is statutorily responsible for resolving welfare disputes between applicants or recipients and county welfare departments.

The department also administers the Support Enforcement Incentive Fund which helps counties finance programs to identify, locate, and collect support payments from absent parents. The Earnings Clearance System is used to compare income reported by recipients with income reported by their employers for unemployment insurance purposes.

How Much Does It Cost?

In fiscal year 1975-76, nearly \$1.8 billion is budgeted for the AFDC program in California. Approximately \$1.5 billion is for payments to AFDC recipients. The state's share of this is \$504 million. Counties are paying \$284 million and the federal government is paying \$726 million.

State and county administrative expenses are budgeted at \$274 million. Of this the federal government will pay \$133 million, counties \$75 million and the state \$66 million.

Cost sharing of payments to families is approximately 50 percent federal, 34 percent state, and 16 percent county. Counties finance a larger percent of payments for children in boarding homes and institutions. Funds for special needs are 50 percent county and 50 percent federal.

How Many Californians Receive AFDC?

In May of 1975, 1.42 million persons received \$108.9 million in AFDC payments. Of these 1.23 million were eligible under the "family group" (AFDC-FG) category because one of the children's parents was incapacitated, deceased, or continuously absent from home. Another 159,900 were men, women, and children qualified for AFDC payments under the "unemployed" category (AFDC-U). Thirty thousand were children living under 24-hour care in boarding homes or institutions (AFDC-BH).

The AFDC Family

The typical AFDC family consists of a 30.4 year old mother and 2.3 children age 13 or younger. They live in a rented private home, and the mother, who has less than a complete high school education, is unemployed. The children, like 80 percent of AFDC children, are eligible for assistance because their father is continuously absent from home. The family's monthly AFDC payment in May 1975 was \$225.